

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
(Alexandria Division)**

In re: GUNNING MOTORS, INC. Debtor	Case No. 10-11896-RGM Chapter 11
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**STIPULATION EXTENDING THE TIME WITHIN WHICH THE DEBTOR MAY
TIMELY ASSUME OR REJECT ITS LEASE OF
9018 LIBERIA AVENUE, MANASSAS, VIRGINIA**

Gunning Motors, Inc. (“*Gunning Motors*” or “*Debtor*”), debtor and debtor in possession herein, and Robert Rosenthal, by their respective counsel, stipulate and agree as follows:

WHEREAS, Gunning Motors filed a voluntary petition for relief under chapter 11 of Title 11 on March 13, 2010, and

WHEREAS, Debtor is the tenant under a November 15, 2000 ground lease for property located at 9018 Liberia Avenue, Manassas, Virginia (“*Lease*”). The owner and lessor of the property is Robert Rosenthal (“*Landlord*”).

WHEREAS, after entering into the Lease, Debtor constructed or caused to be constructed a Subaru dealership facility (“*Dealership Facility*”).

WHEREAS, Debtor has entered into a contract to sell the Dealership Facility and to assign the Lease, subject, however, to higher and better offers and bankruptcy court approval.

WHEREAS, pursuant to section 365(d)(4) of the Bankruptcy Code the time within which the Debtor must assume or reject the Lease will expire on July 12, 2010.

WHEREAS, the Debtor may not be able to close on a sale of the Dealership Facility and an assignment of the Lease prior to the deadline for assumption or rejection of the Lease under section 365(d)(4) of the Bankruptcy Code.

WHEREAS, the Debtor has asked Landlord to consent to an approximately 60 day extension of the time within which the Debtor may timely assume or reject the Lease to allow for closing under the sale of the Dealership Facility and assignment of the Lease, and Landlord has agreed to the requested extension.

WHEREAS, the Parties hereto agree that Landlord's consent to this Stipulation shall not in any way impair or limit Landlord's cure rights under section 365(b) of the Bankruptcy Code, including, but not limited to, Landlord's right to receive post-petition rents under the Lease.

ACCORDINGLY, THE PARTIES HEREBY STIPULATE AND AGREE that pursuant to 11 U.S.C. section 365(c)(4)(B), the time within which the Debtor must assume or reject the Lease is extended from July 12, 2010 to and including September 13, 2010.

/s/ Ann E. Schmitt

Ann E. Schmitt, VSB #22030
Culbert & Schmitt, PLLC
30C Catoctin Circle, SE
Leesburg, VA 20175
703-737-6377
703-737-6370
aschmitt@culbert-schmitt.com

Stephen E. Leach, VSB #20601
Leach Travell Britt pc
8270 Greensboro Drive
Suite 1050
McLean, VA 22102
703-584-8902
703-584-8901
sleach@ltblaw.com

THE FORGOING STIPULATION IS APPROVED, AND SO ORDERED THIS _____
DAY OF JUNE, 2010.

Robert G. Mayer
United States Bankruptcy Judge

Certificate of Service

I hereby certify that a true and correct copy of the foregoing was served by U.S. Mail and electronic mail on the twenty largest unsecured creditors and on the following, this 1st day of June, 2010:

Terry C. Frank Kaufman & Canoles, P.C. Three James Center, 12 th Floor 1051 E. Cary Street Richmond, VA 23219	Office of the United States Trustee 115 South Union Street Alexandria, VA 22314
Michael J. Holleran Walton & Adams, P.C. 1925 Isaac Newton Square Suite 250 Reston, Virginia 20190	Mark J. Friedman Mitka Baker 6225 Smith Avenue Baltimore, MD 21209
Joseph J. Bellinger Offit Kurman, PA 8171 Maple Lawn Blvd. Maple Lawn, Maryland 20759	

/s/ Ann E. Schmitt